



**SPECIAL MEETING
FIRST BUDGET HEARING
September 5, 2019
5:15 p.m.**

I. PLEDGE OF ALLEGIANCE

The meeting was called to order at 5:15 p.m. and was followed by the Pledge of Allegiance.

II. ROLL CALL

Present at the meeting were Mayor Paul, Vice Mayor Hattan and Councilmembers Caletka, Starkey and Luis. Also present were Town Administrator Lemack, Deputy Town Administrator Lewis, Assistant Town Administrator Holste, Town Attorney Rayson and Town Clerk Roig recording the meeting.

III. PUBLIC HEARING

Town Administrator Richard J. Lemack provided a presentation. Mr. Lemack stated the Town's proposed millage was unchanged at 5.6270 mills and the debt service millage rate will decrease from .3851 to .2853. Mr. Lemack explained the 5.6270 millage rate was 5.28% above the rolled back rate of 5.3450 and was a tax increase under state law.

Mr. Lemack advised this operating millage rate was necessary to fund the operating budget of the Town, to achieve some of our Budget Objectives and to maintain our strong fiscal stability. Mr. Lemack stated the increase in the General Fund Budget of approximately 5% directly provided for:

- Increased personnel throughout the Town with a focus in the police department
- Funding for stormwater infrastructure
- Continued the process of replenishing emergency reserves used for previous hurricanes

Mr. Lemack advised that in addition to addressing the Fiscal Year 2020 budget priorities, the millage rate supported investment in the Town's capital improvement projects, our collective bargaining commitments, increased personnel expenses, and our continued commitment to improving our information technology infrastructure and services. The fire assessment included funding that will be used to replace an aging fire apparatus which had been in service since 2003.

Mr. Lemack advised that the Town had financially planned for and was prepared for funding unforeseen emergencies such as Hurricanes and although our response and recovery activities had dipped the Town below the Emergency Reserves policy minimum of 25% in the General Fund, the Town remained fiscally healthy. Mr. Lemack stated the Town planned to replenish those reserves with \$1 million per year over a five-year period, which began in the FY 2019 budget and had continued with the FY 2020 proposed budget.

Mr. Lemack stated the FY 2020 Budget outlook continued with the direction previously provided by Town Council at the Vision and Goal Setting Session, community input from the District forum and Town Council meetings as well as public workshops. The Budget outlook included the following:

- Operating Millage Rate - unchanged
- Fire Assessment - unchanged
 - Capital Purchase
- Solid Waste Assessment - increase by \$15.64
- Replenish Emergency Reserves (Hurricane Irma)
- Reduction of Debt Service Millage Rate
- \$3.7 Million for the Capital Improvement Program (CIP), includes \$500k for Stormwater and

Fire Apparatus

- Public Safety Master Plan - in progress

Bill Ackerman, Budget and Finance Director, described the Town's budget process. Mr. Ackerman provided an overview of the Fiscal Year 2020 budget. Mr. Ackerman stated the Town's General Fund encompassed about 60% of the Town's total budget.

Mr. Ackerman explained that in the General Fund, personnel cost increases were primarily driven by position additions, collective bargaining commitments, and increased health insurance costs. In addition to the Town's continued support and investment in information technology, other large factors impacting the General Fund operating expenses in Fiscal Year 2020 included contractual services, contractual maintenance (lawn maintenance), and stormwater related expenses. Mr. Ackerman reiterated that the Town continued the process of replenishing emergency reserves used for previous hurricanes. Mr. Ackerman stated, \$3.7 million would transfer from the General Fund to the Capital Projects Fund to support the Fiscal Year 2020 Capital Program and \$2.3 million would be transferred to the Community Redevelopment Agency for Tax Increment Financing (TIF).

Mr. Ackerman reviewed the highlighted items that were discussed at the Town Council Budget workshop to include:

- Community Redevelopment Agency
- Water and Sewer Fund
- Golf Fund
- Vehicle Maintenance Fund
- Self-Insurance Fund
- Information Technology Fund

Mr. Ackerman stated about 65% of the General Fund budget was for public safety. Mr. Ackerman noted the other notable departments to the General Fund to include Public Works, Parks Recreation and Cultural Arts and the Building Division.

Mr. Ackerman noted the debt service was 3% which was important because the number had decreased over the years.

Mr. Ackerman provided the significant changes that had been made to the General Fund since the last Town Council Budget Workshop to include:

- Payroll Related Items
 - Promotions/benefit changes/separations/new hires
 - FOPA, FOP and Non-Rep
- Legal Expenses
- Building and Engineering Reserves
- Capital Improvement Plan (CIP)

Mr. Ackerman provided the notable Capital Improvement Plan items to include:

- General Fund:
 - \$3.1 million from Operating Revenues
 - \$375k from Engineering reserves
 - \$200k reallocated from GF Reserves
- Water & Sewer Fund:
 - \$18.7 million in Capital Outlay
 - Implement FY 2020 CIP (\$4.9 million – 14 projects)

Mr. Ackerman said the Town's millage rate and Fire Assessment compared favorably to other municipalities and provided a comparison chart.

Mr. Ackerman explained that the impact of the 5.6270 millage rate and assessments on a single-family home worth \$250,000 would be an \$82.00 increase from 2019.

Mr. Ackerman reported the second budget hearing was scheduled for September 18 at 5:15 P.M.

Ordinances - First Readings (Second and final readings to be held on September 18, 2019)

1. AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, ESTABLISHING THE MILLAGE RATES TO BE LEVIED FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020 (FY 2020); PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Rayson read the ordinance by title. Mayor Paul announced that a second public hearing would be held on September 18 at 5:15 P.M.

Mayor Paul stated the Town of Davie's tentative operating millage rate to be levied for Fiscal Year 2020 is 5.6270 mils, which is 5.28% greater than the rolled-back rate of 5.3450 mils. The tentative voted debt service millage rate for Fiscal Year 2020 is .2853 mils.

Mayor Paul opened the public hearing portion of the meeting. As no one spoke, Mayor Paul closed the public hearing portion of the meeting.

Vice Mayor Hattan made a motion, seconded by Councilmember Luis to approve. In a roll call vote, the vote was as follows: Vice Mayor Hattan - yes; Luis - yes; Councilmember Starkey - yes; Councilmember Caletka - yes; Mayor Paul - yes. (Motion carried 5-0)

2. AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020 (FY 2020); PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Rayson read the ordinance by title. Mayor Paul announced that a second public hearing would be held on September 18 at 5:15 P.M.

Mayor Paul opened the public hearing portion of the meeting. As no one spoke, Mayor Paul closed the public hearing portion of the meeting.

Vice Mayor Hattan made a motion, seconded by Councilmember Starkey to approve. In a roll call vote, the vote was as follows: Mayor Paul - yes; Councilmember Caletka - yes; Councilmember Starkey - yes; Vice Mayor Hattan - yes; Councilmember Luis - yes. (Motion carried 5-0)

IV. ADJOURNMENT

There being no further business to discuss and no objections, the meeting was adjourned at 5:43 pm.

Approved_____

Mayor/Councilmember

Town Clerk